

June 17, 2003

Country of Origin Labeling
Agricultural Marketing Service, USDA
Stop 0249
Room 2092-S
1400 Independence Avenue, SW
Washington, DC 20250-0249

RE: Comments from MFBF on Implementation of COOL

The Minnesota Farm Bureau Federation (MFBF) submits the following comments on the implementation of the country of origin labeling (COOL) program contained within the 2002 Farm Bill. MFBF is Minnesota's largest general farm organization, with over 34,000 family memberships.

Farm Bureau supports country of origin labeling. Many farmers feel that the products they grow should be labeled as a product of the United States at the retail sales level. However, I would be remiss in not stating that several of our livestock producing members are extremely concerned about the mandatory implementation of the program. Nonetheless, we are not letting concerns stand in the way of attempting to find workable solutions to implement the program in the most efficient and cost-effective manner.

Farm Bureau appreciates the progress that the USDA Agricultural Marketing Service (AMS) has made in implementing guidelines, and we agree with most of the guidelines that have been outlined. However, our number one goal is to still make certain that the program is not burdensome or excessively costly to producers.

Farm Bureau believes AMS may need to conduct a thorough evaluation of both the positives and negatives of the program before the law becomes mandatory. I believe the listening sessions across the country will serve USDA well in those preliminary discussions.

It seems the main point of contention and confusion has been focused on the provision of the law that calls for producers to maintain a verifiable record keeping audit trail.

I think its important to remember that the majority of meat processed and consumed within the United States, has been born and raised in the United States, and will qualify for the “Product of the U.S.” label. Therefore, it is understandable that the majority of discussion on COOL has been focused on the “Product of the U.S.” label.

Animals imported into this country must have health certificates, as well as other papers in most cases. As a result, the producer can identify which livestock would not be eligible for the “Product of the U.S.” label. **Farm Bureau believes producers should be able to self-verify to the purchaser of livestock that the livestock were born and raised in the United States.** Self-verification could consist of a seller signing a document verifying to the buyer that livestock were born and raised in the U.S. It is also important that there are penalties for producers who knowingly falsify the origin of livestock.

Farm Bureau believes a self-verification system by the producer, coupled with a record keeping system from the processor to the retailer would carry out the intent of the statute.

It is clear that AMS will need to produce significant guidance on what verifiable records are acceptable, and what records purchasers of livestock may be allowed to require from producers. **Furthermore, AMS should clarify that USDA can’t require producers to institute a mandatory animal identification system, and not require third-party verification.**

It appears that purchasers of livestock may require more information from producers than is required by law. We believe AMS will need to seriously look at setting uniform or maximum requirements that purchasers of livestock will need to follow, and not allow purchasers of livestock to require burdensome and costly recordkeeping. The consequences of varied and overly-stringent purchaser requirements could lead to decreased access and lack of price discovery in markets for independent producers.

Other issues:

*Some producers may not be prepared to meet mandatory guidelines by September 2004, because older animals may not be documented. We encourage AMS to explore the potential of allowances or a transition period for older animals.

*Farm Bureau is also concerned that AMS is interpreting that items such as cured ham and raw corned beef brisket fall under the “materially changed” exemption. We agree that commodities that have been “materially changed” do not need to be labeled. However, we do not believe that the act of curing or aging alters a product to the point that its character no longer resembles that of the covered commodity, especially since the guidelines require that blended products be labeled.

Farm Bureau believes that products, even though they have had some added ingredients, should still be labeled as to their country of origin as long as they retain generally recognized characteristics of the original item.

Conclusion

Country of origin labeling is not going to be a simple task, and all sectors of the industry are going to have to accept more responsibility for claims made on labels. Farm Bureau believes producers will accept some additional responsibility to protect the integrity of their products in the U.S. marketplace.

We look forward to working with USDA in establishing workable rules for the COOL program, and providing comments when the proposed rule is published later this year.

Sincerely,

A handwritten signature in black ink that reads "Al Christopherson". The signature is written in a cursive, flowing style.

Al Christopherson
President